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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
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SMALL MINING OPERATIONS 2008 PROGRESS REPORT  
January 1, 2008 to December 31, 2008

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: 5010063
2. Mine Name: Sandy Wash 4 / Blawn MNT
3. Name of Operator/Permittee: Sandy Nell

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: Beaver Co. / Blawn MNT
5. Report the gross amount of ore mined and waste moved, as well as the current disposition of the material (sold, stockpiled, regraded, etc.):

Gross Ore Mined 40,000 Tons, or \_\_\_\_\_ yd<sup>3</sup>  
Waste Material Moved N/A Tons, or \_\_\_\_\_ yd<sup>3</sup>  
New Disturbance \_\_\_\_\_ Acres during 2008  
Area Reclaimed 0 Acres during 2008  
Total Disturbed Area \_\_\_\_\_ Acres\*

\*Total life of mine disturbance to the end of 2008.

Was the ore shipped off site? If not, where is the ore located? SHIPPED TO  
OFF SIGHT STOCK PILE

Where is the waste located? NONE

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Sandy Nell  
Title of Operator: President  
Signature of Operator: Sandy Nell  
Date: 1-5-09

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JAN 21 2009

DIV. OF OIL, GAS & MINING

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